Regional Transit Authority (RTA) Overview and Update

MassDOT Board

June 17, 2019

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Overview of the RTAs: Governance, Ridership, Funding

Regional Transit Authorities (RTAs)

- Created by MGL Chapter 161B
  - 15 RTAS
  - 267 member municipalities, including 114 that are also part of the MBTA service area
  - Governed by Advisory Boards on which each member municipality has a seat
    - Chief elected official or designee
    - Weighted voting based on service levels/local assessments
  - Managed by an Administrator - CEO
    - Negotiates contracts with operating companies
      - Ch. 161B, sec. 25, prohibits direct operations by RTAs
      - Daily management is provided by operating company, which is direct employer of drivers, mechanics, etc.
    - Develops budgets
    - Plans and oversees service decisions

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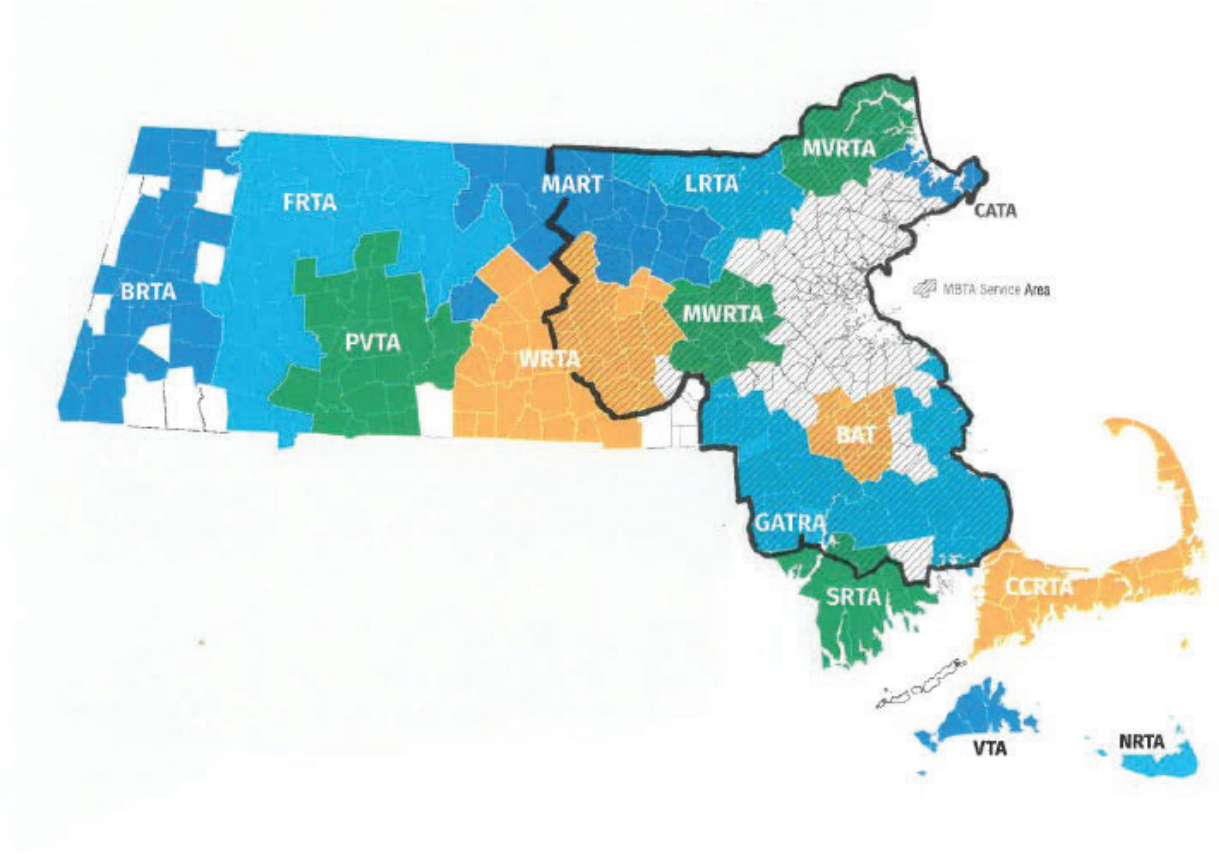
Overview of the RTAs



Ridership

- Total FY18 ridership is 30,355,443
  - 91.58% fixed route, 7.58% demand response, 0.84% other
- RTAs with largest ridership are:
  - PVTA – 29%
  - WRTA – 11%
  - BAT – 9%
  - SRTA – 9%
- RTAs with the smallest ridership are:
  - BRTA – 2%
  - FRTA – 1%
  - CATA – 1%
  - NRTA – 1%
- Ridership patterns vary significantly
  - Gateway cities, suburban, rural areas
  - In 5 RTAs, demand response ridership is >20% of total ridership
  - In other 10 RTAs, demand response ridership is <10%
  - Difficult choices for low density areas and inter-regional mobility

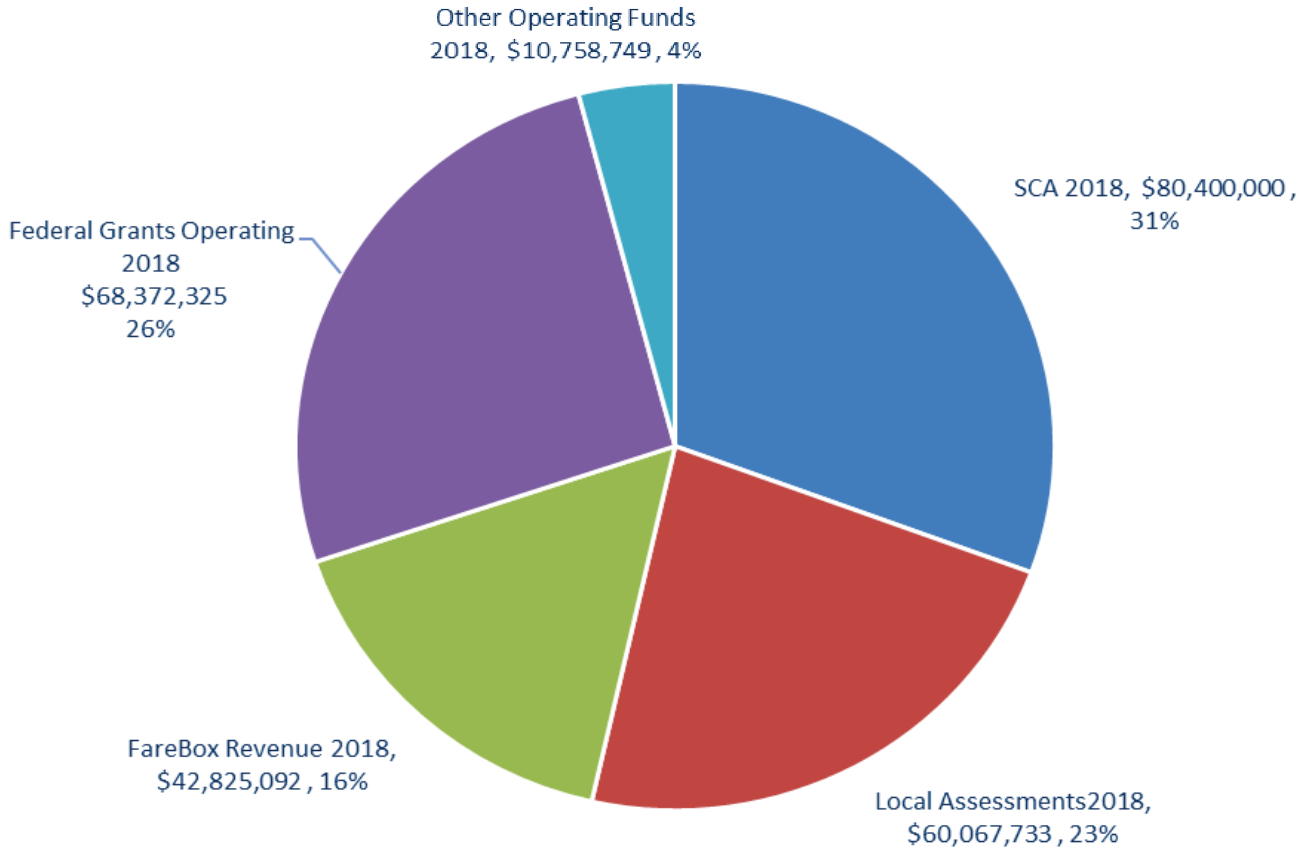
RTA Financial Structure

- Operating sources:
  - Federal formula funds (except 3 rural RTAs)
  - State Contract Assistance (SCA)
  - Local assessments (from Cherry Sheet)
  - Fares
  - Other (advertising, HST brokerage, etc.)

- "Forward Funding"
  - Before FY14, RTAs' SCA was provided in arrears and was based on share of prior year's "Net Cost of Service"
  - Since FY14, RTAs' SCA has been provided in current SFY from line item in MassDOT portion of Budget
  - Distribution of SCA among RTAs is per a formula that all RTAs agreed to

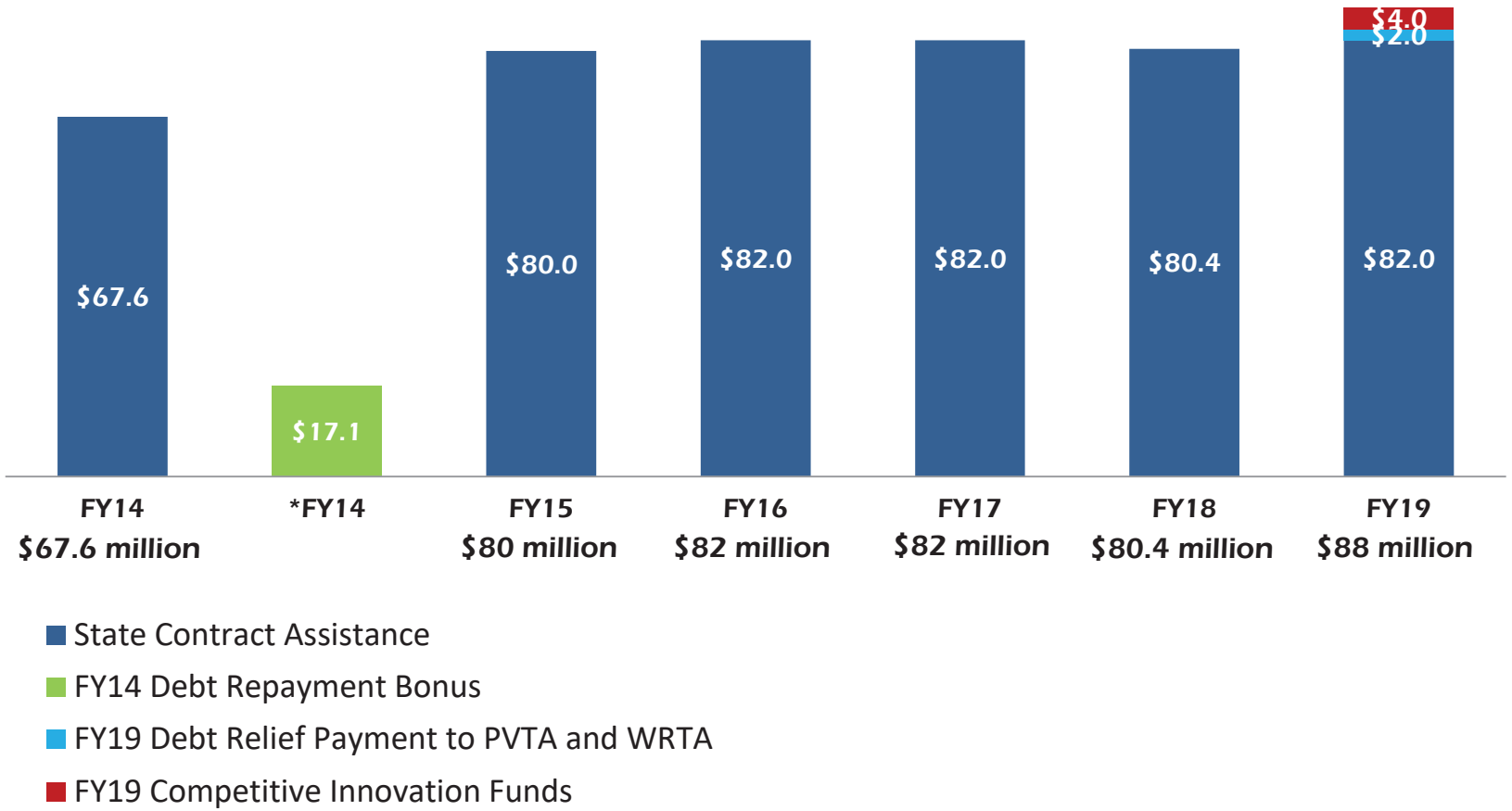
- Capital sources:
  - Federal formula and discretionary (typically 80-50% of project cost)
  - State bond funds (typically 20%-50% of project cost)

FY18 RTA Sources of Operating Funding

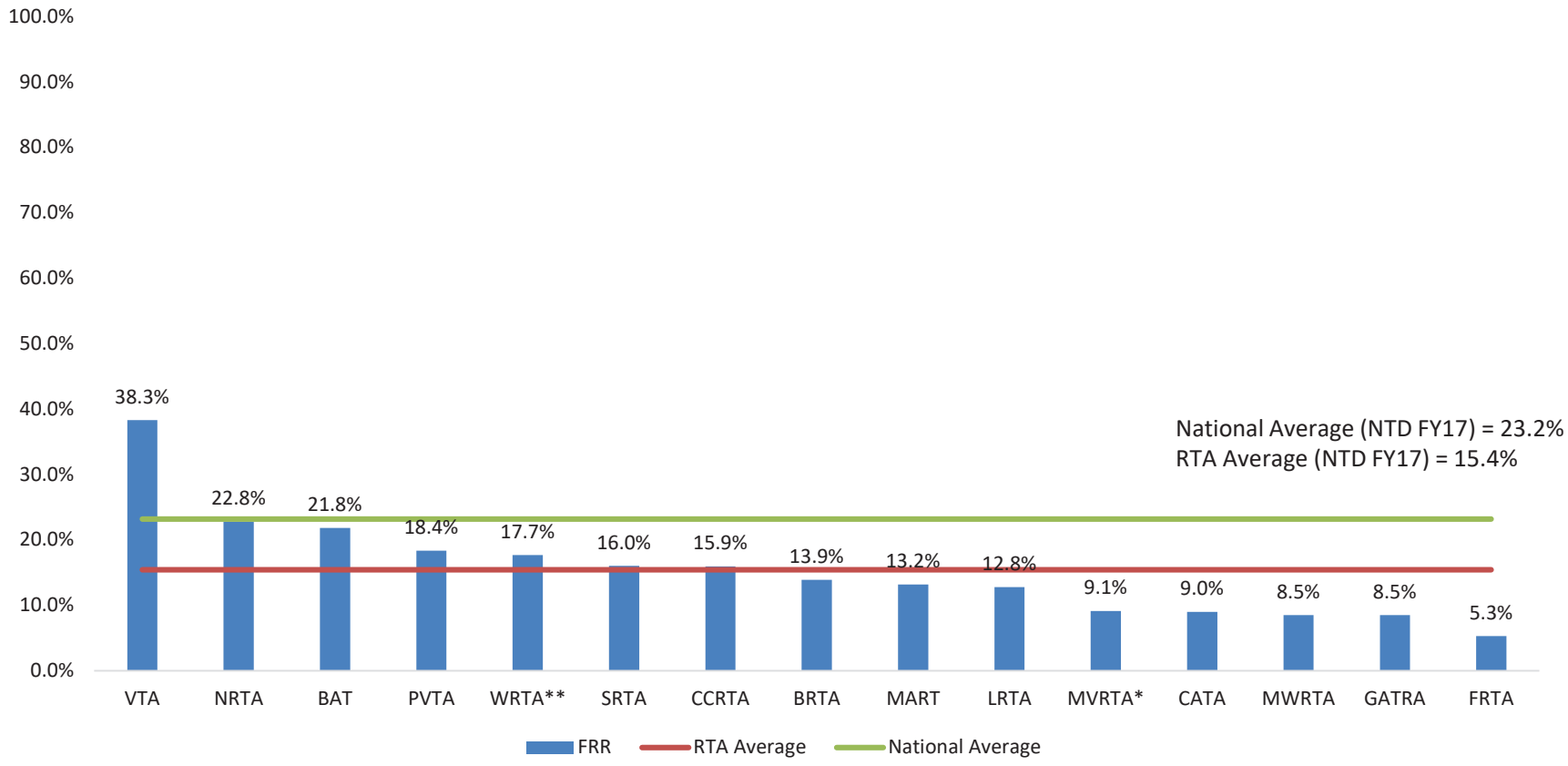

Other Operating Funds
2018, $10,758,749, 4%
SCA 2018, $80,400,000, 31%
Federal Grants Operating 2018 $68,372,325 26%
FareBox Revenue 2018, $42,825,092, 16%
Local Assessments2018, $60,067,733, 23%

Data Source: Program Preview

FY14-FY19 RTA State Contract Assistance (in Millions)



Fixed Route Farebox Recovery Ratios (NTD FY17)

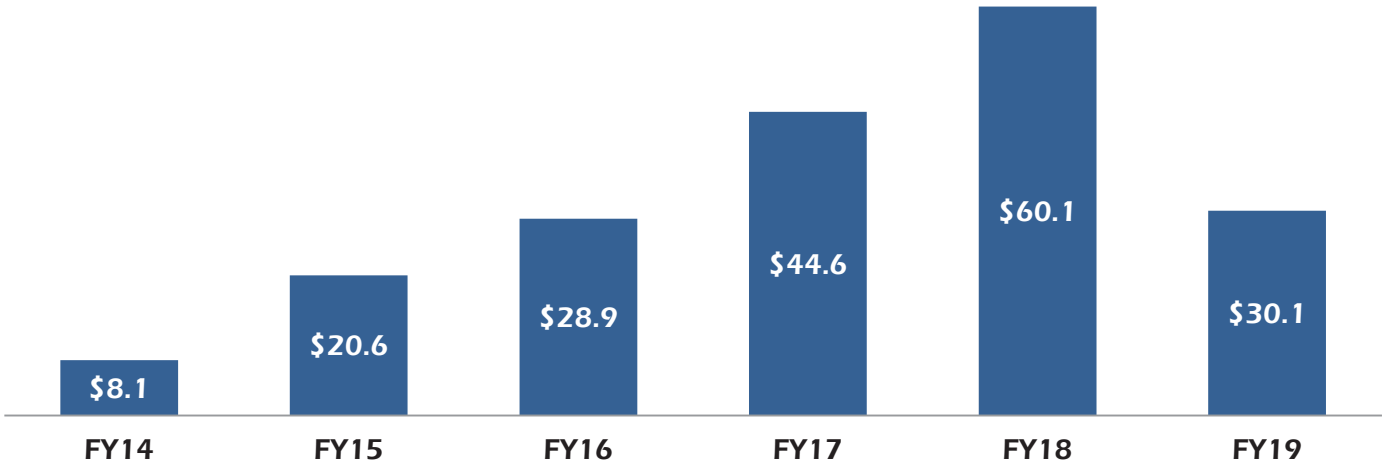


*Does not includes Commuter Bus (CB)

**Includes Directly Operated (DO) and Purchased Transportation (PT)

FY14-FY19 RTA State Capital Assistance (in Millions)

- MassDOT funded 96.92% of total state capital dollars requested by RTAs for projects in Capital Investment Plan for FY19, totaling over $30 million of investments, plus $4m for vans, etc. under the Community Transit Program
- MassDOT encourages RTAs' pursuit of Federal discretionary grants and promises required match



Budget Variables

- **Federal flexibility**
  - RTAs can use some of their Federal formula funds (5307) for either capital or non-capital costs:
    - Operating costs (50% of formula amount)*
    - ADA costs (10% of formula amount)
    - Preventative maintenance costs (80% of formula amount)
  - Pattern of use varies widely:
    - Share that RTAs reserve for capital varies from 0-58%
    - Offers RTAs budgeting flexibility – especially with recent increase in capital support from MassDOT
- **Local assessments**
  - Still paid in arrears
  - Amount calculated by local rules, but broadly reflects cost of share of service received
  - Municipalities that are in an RTA and in the MBTA service area can offset their payment to MBTA by amount paid to RTA

*except PVTA

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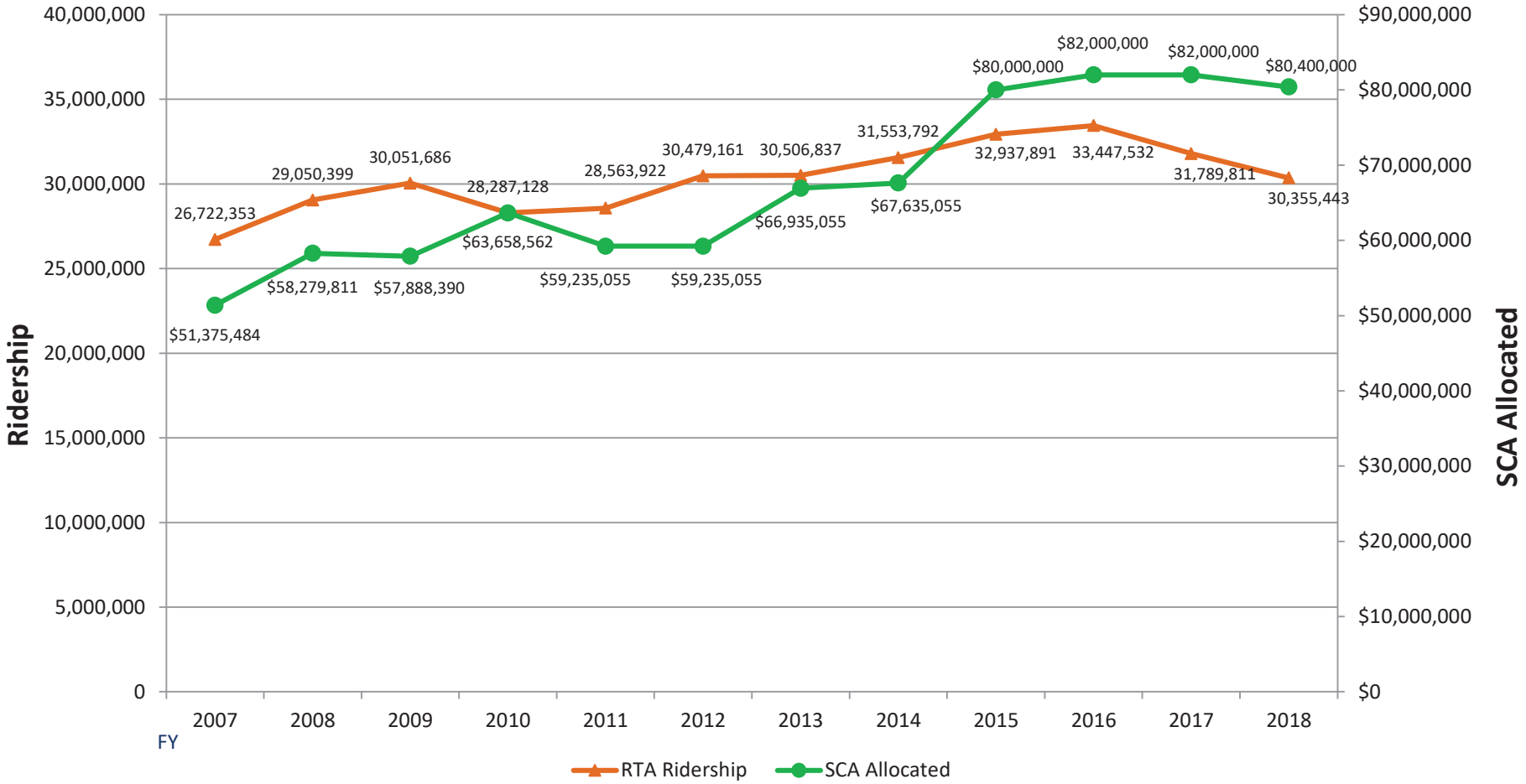
Changes in FY19 State Budget

State Contract Assistance and Ridership FY07-FY18



*FY14 figure does not include debt repayment bonus

How can state funding for RTAs reflect performance?

- SCA has predominantly been pass-through funding without any metrics by which to judge success or determine quality of performance
  - RTA ridership is down although level of state investment is up
  - Is the traditional pattern sustainable?
  - How can RTAs become mobility managers?

- FY19 Budget included three innovations:
  - $2m in deficit relief for two RTAs (PVTA and WRTA) if they executed MOUs with MassDOT that specified remedial actions and other commitments.
  - RTA Task Force on Performance and Funding
  - $4m for discretionary awards to be made by MassDOT

RTA Task Force Report

- RTA Task Force's final report incorporated several key findings of Governor's Commission on the Future of Transportation.

- RTA Task Force made 24 recommendations on:
  - Investment and Performance
  - Accountability
  - Service Decisions
  - Quality of Service
  - Environmental Sustainability

- Core Task Force recommendation:
  - Provide an increase in FY20 State Contract Assistance (SCA) to $90.5M and an annual escalator similar to that of the MBTA
  - All state contract assistance will be linked to performance targets via Memoranda of Understanding (MOUs) to be negotiated between MassDOT and each RTA.
  - MOUs to include baselines, timelines, and targets in four areas:
    - Ridership
    - Customer service and satisfaction
    - Asset management
    - Financial performance, including farebox recovery
  - Repeated failure to meet targets prompts remedial action with MassDOT

Discretionary Grant Program

- Authorized MassDOT to award $4M in discretionary grants to RTAs that proposed innovative ways to use best practices and meet the challenge of service, particularly to priority populations.

- Eligible projects:
  - Technology improvements to test and implement of best practices
  - Innovative and sustainable ways to provide workforce transportation or service to other priority populations

- All funded projects were required to identify baselines and provide targets – i.e., what is success?

- Pilots expected to demonstrate how they could be financially sustainable

- Project proposals were scored and selected on a competitive basis

- 21 awards to 15 RTAs finalized through MOUs containing performance metrics

Discretionary Grant Program cont.

- $4 million distributed competitively – augmented by $1.1m in capital grants
- List of awarded FY19 Competitive Innovation Funds projects:

RTA	Description of Awarded Project	Capital Award	Operating Award
BAT	Expanded service to Stoughton by increasing direct service to downtown Stoughton, connecting two different commuter rail lines, and integrating an underserved business district .	-	$178,750
BAT	Increased service of busiest route to the Ashmont MBTA Station through two additional round trips	-	$103,500
BAT	Increased service to Bridgewater State University (BSU) through four additional round trips per day.	-	$15,000
BRTA	Pilot to extend service hours for BRTA bus Route 11 and Route 11X serving Berkshire Community College (BCC) with final runs on BRTA bus Route 21 Express and BRTA bus Route 1.	-	$361,128
CATA	Pilot for on-demand transportation services in Gloucester and Rockport to extend transit services beyond regular hours and on weekends using QRyde on-demand technology.	$215,777	$184,223
CCRTA	Enhanced intra-agency intermodalism via fixed route, trolley & app-based on-demand feeder service in the Falmouth area.	$176,500	$305,970
FRTA	Micro-transit service to low-income populations in towns of Greenfield, Turners Falls, Millers Falls, Orange, Wendell, Warwick, and New Salem via same-day and next-day transportation.	$86,975	$153,575
GATRA	TransLoc, Inc. pilot demonstration project.	-	$300,000
LRTA	Pilot for Sunday service for 10 bus routes that service the Greater Lowell Region.	-	$325,338
MART	Pilot for a self-sustaining micro-transit model in the city of Fitchburg by utilizing advanced transportation software.	$278,000	$210,000
MVRTA	Creation of a target marketing advertising campaign for Spanish language television.	-	$150,000

Discretionary Grant Program cont.

- List of awarded FY19 Competitive Innovation Funds projects (cont'd):

RTA	Description of Awarded Project	Capital Award	Operating Award
MVRTA	Improvement of system management and customer outreach in MVRTA Office of Special Services. Two-part project for the installation of new mobile data terminals (MDTs) to interface with management software, and for the installation of new Interactive Voice Response (IVR) telephone notification system.	$156,700	-
MWRTA	Route 20 Shuttle Pilot, for fixed route service from the Wayside Country Store in Marlborough to the Riverside MBTA Station in Newton along the Route 20 corridor.	$50,000	$300,000
MWRTA	First mile/last mile service enhancements for MetroWest region using innovative commuter app and aggressive marketing at commuter rail stations.	$50,000	$300,000
NRTA	Continued marketing for new year-round fixed route service (December 2018 - April 2019). Funding would go towards bilingual ads, sound bites, etc.	-	$30,375
PVTA	Improve customer experience and draw new commuters to Springfield by creating an express service that only stops at major points of interest along the Route B7 alignment, reducing end-to-end time from 50 mins to 35 mins, and to P20 Express.	-	$384,187
PVTA	G1 Service enhancements to 20-min headways.	-	$216,054
SRTA	Pilot night service expansion for Fall River Route 5 and New Bedford Route 8 for 18 months.	-	$183,200
VTA	Restore optimal fixed route operations on the two most viable and busiest routes (Route 1 and Route 13) which often exceed vehicle capacity during peak periods.	-	$83,500
WRTA	Implementation of online paratransit trip reservation system.	$70,000	$120,200
WRTA	Next-day paratransit trip reservations/scheduling pilot for rural communities of Southbridge, Spencer, Sturbridge and Webster.	$61,000	$95,000

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Preparations for FY20 – Implementing Change

Current FY20 Budget Versions

- Governor's Budget proposal in House 1
  - $86,000,000 total
    - $82,000,000 in SCA funds
    - $4,000,000 for discretionary performance grants
- House Budget
  - $87,000,000 in SCA funds
  - No funds for discretionary performance grants
  - Inflation adjuster in FY21 and going forward
- Senate Budget
  - $90,500,000 total
    - $86,000,000 in SCA funds
    - $4,500,000 for discretionary performance grants
  - Inflation adjuster in FY21 and going forward
- All anticipate MassDOT performance MOUs with RTAd

Performance Based MOUs for FY20 SCA

- While the FY20 budget has not yet been finalized, both the House and Senate have proposed that MassDOT and each RTA establish an individually negotiated MOU per the Task Force report
- Each MOU would include performance metrics in the following four areas:
  - Ridership
  - Customer service and satisfaction
  - Asset management
  - Financial performance (including farebox recovery)
- Failure to consistently meet targets will NOT result in punitive measures
  - The RTA in question will be expected to enter into a remedial plan with MassDOT

Performance Based MOUs for FY20 SCA cont.

- Each metric will include a baseline and target
  - Baselines being considered could be a “rolling” average or simple comparison to the previous year
  - Targets expected to reflect a change in percentage/total above or below the baseline, depending on the metric
- MOUs will also include an agreed upon timeline for implementation and for reporting of each metric
- “Stretch” targets may be added to the MOU that would not be subject to the same expectations as the baseline targets
  - Designed to encourage RTAs to be entrepreneurial and to work towards new goals and innovative ideas
- To start the process MassDOT has asked each RTA to suggest baselines, timelines, and targets for performance improvements in the four named areas

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Questions?

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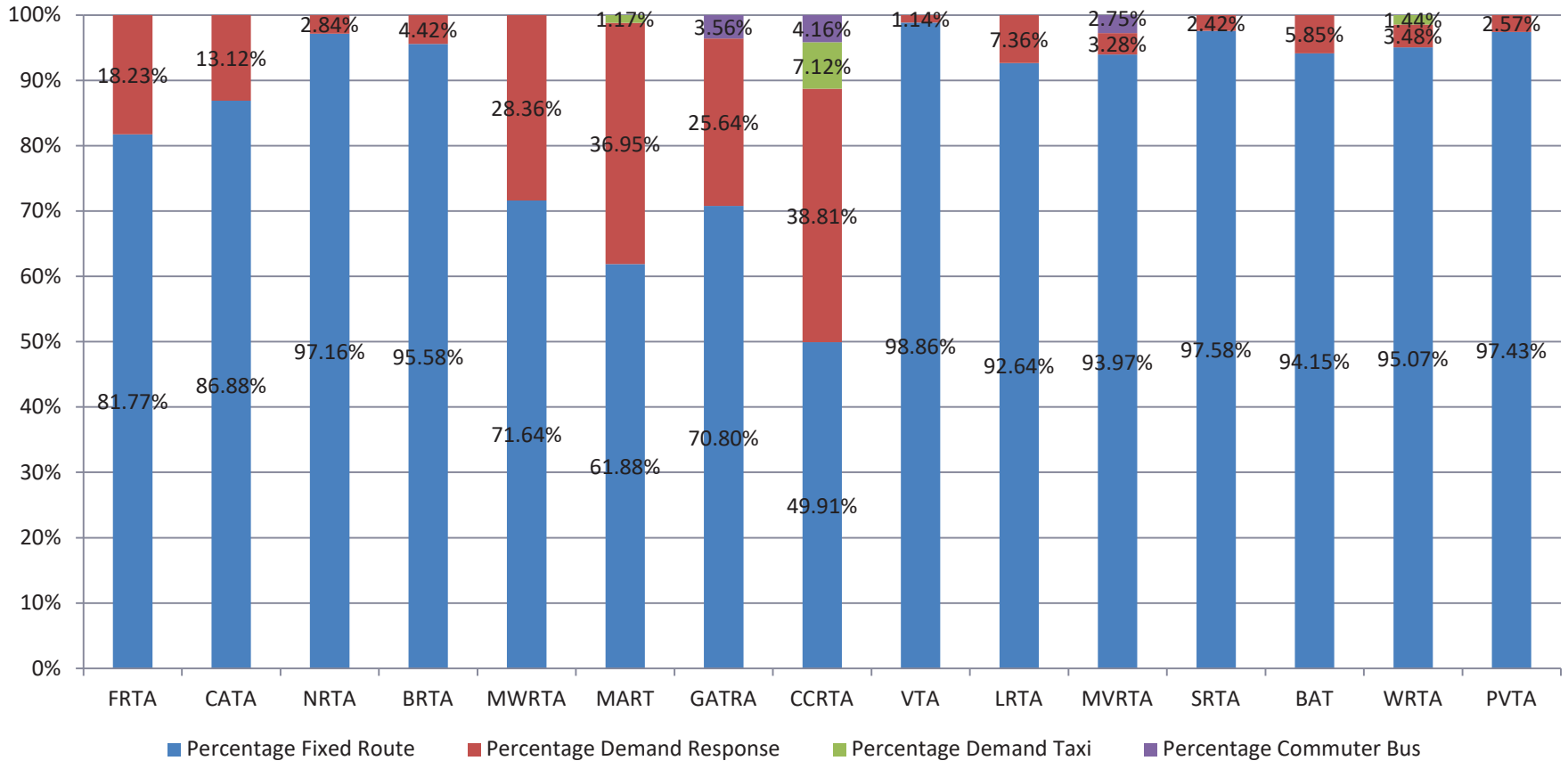
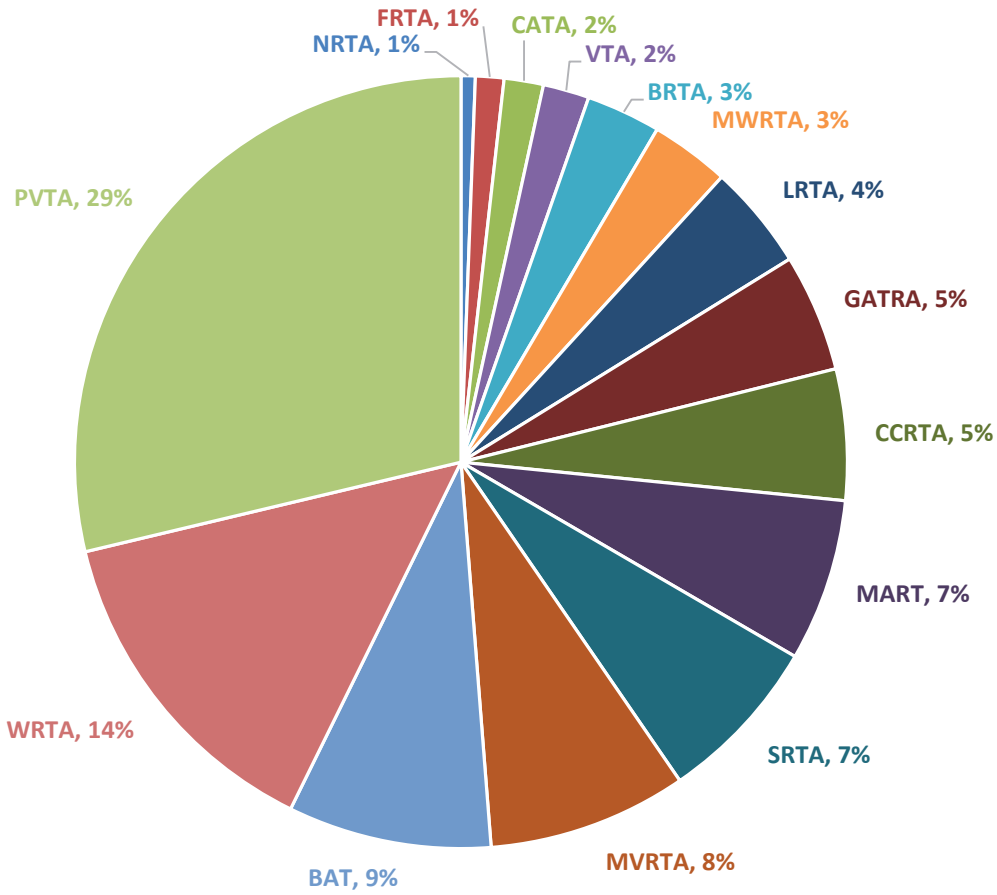
Appendix

Types of Services Provided by Each RTA (FY17)



Data Source: Program Preview

FY18 Percentage of SCA Allocated to Each RTA



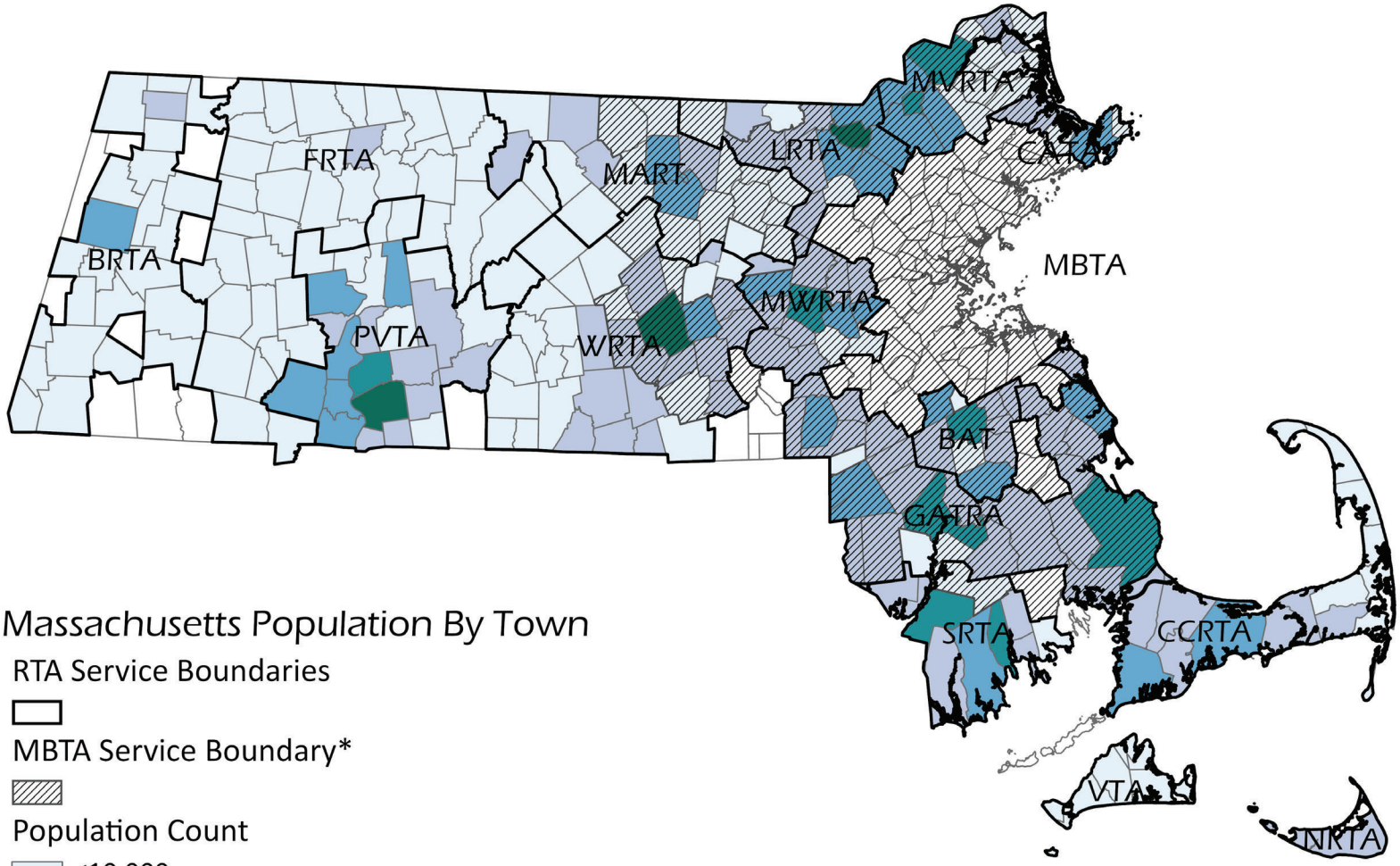
Data Source: MassDOT RTA Funding Database

American Community Survey (ACS) 2017 Population Estimates

Total State Population = 6,789,319

- Population in MBTA Service Area = 5,059,758
  - 74.5% of state population
- Population in RTA Only Service Area = 1,641,763
  - 24.2% of state population
- Population in MBTA/RTA Shared Area = 2,399,305
  - 35.3% of state population

Source: ACS 2017 Estimates



Massachusetts Population By Town

RTA Service Boundaries

MBTA Service Boundary*

Population Count

- ≤10,000
- 10,001 - 25,000
- 25,001 - 50,000
- 50,001 - 110,000
- 110,001 - 185,000

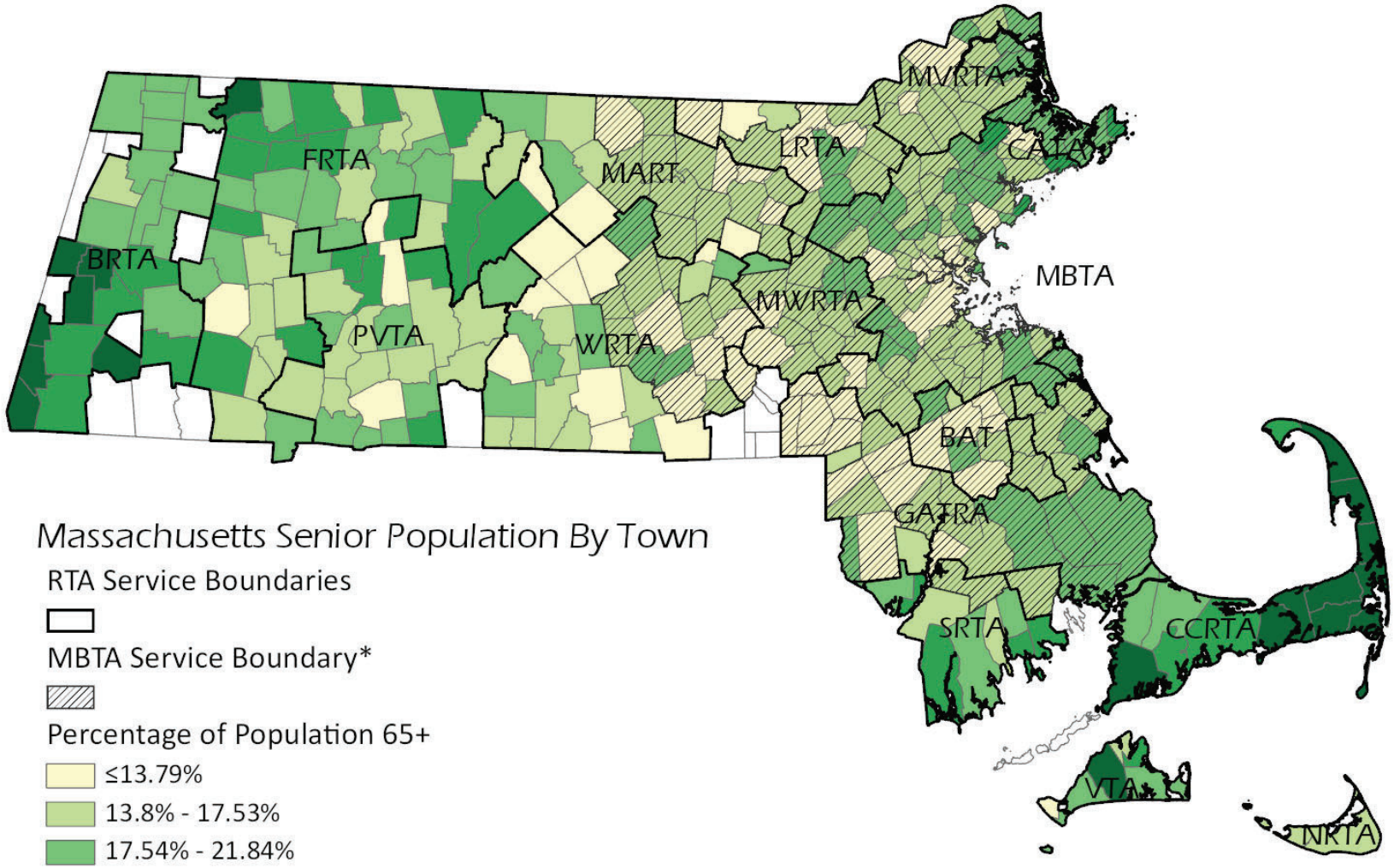
*Includes the 175 cities and towns subject to Local Assessments

Total RTA Population** = 3,770,596

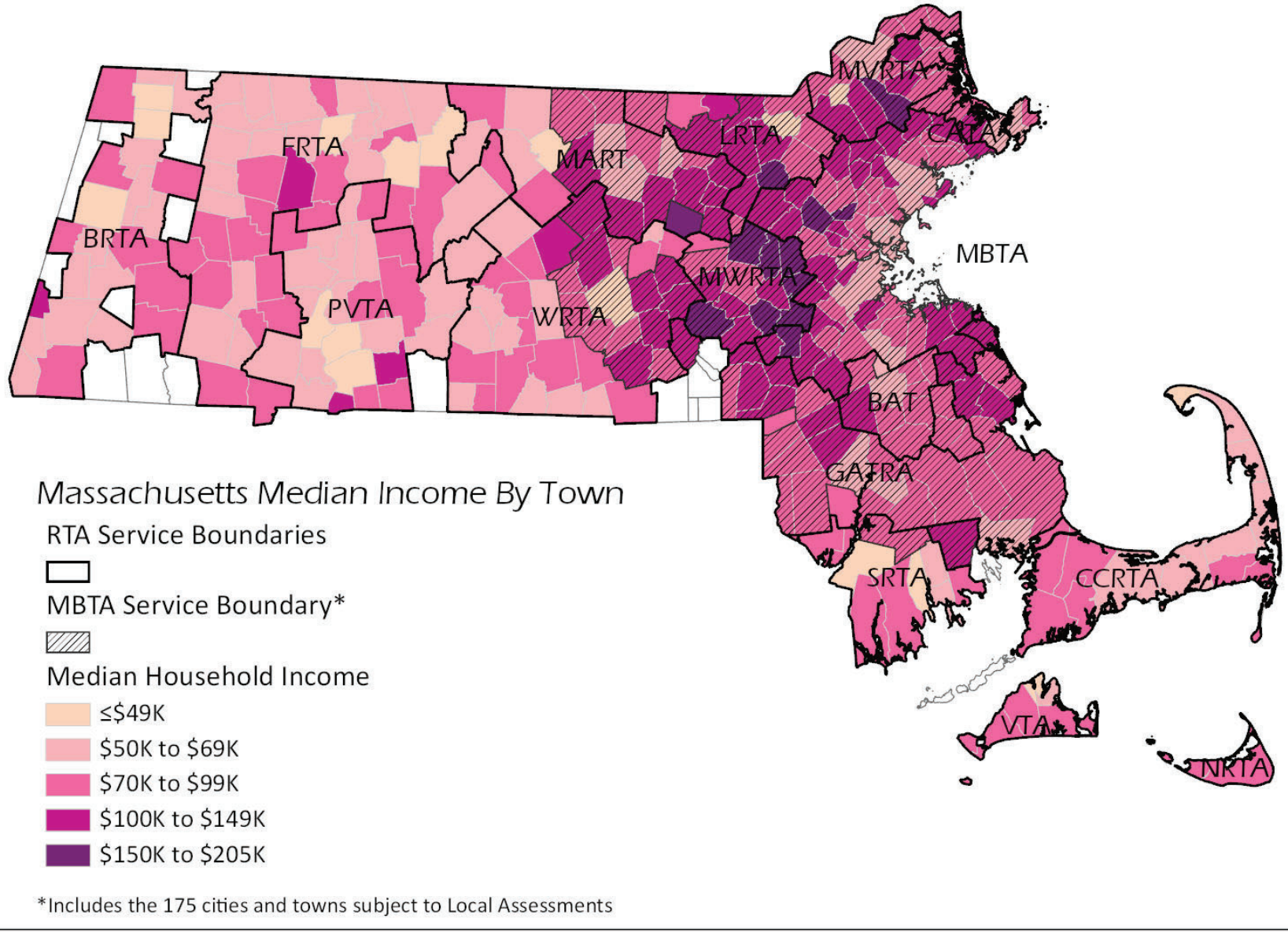
Total RTA Unliked Passenger Trips = 31,670,972

**Urban population calculated from NTD 2017, rural population from ACS 2017 estimates

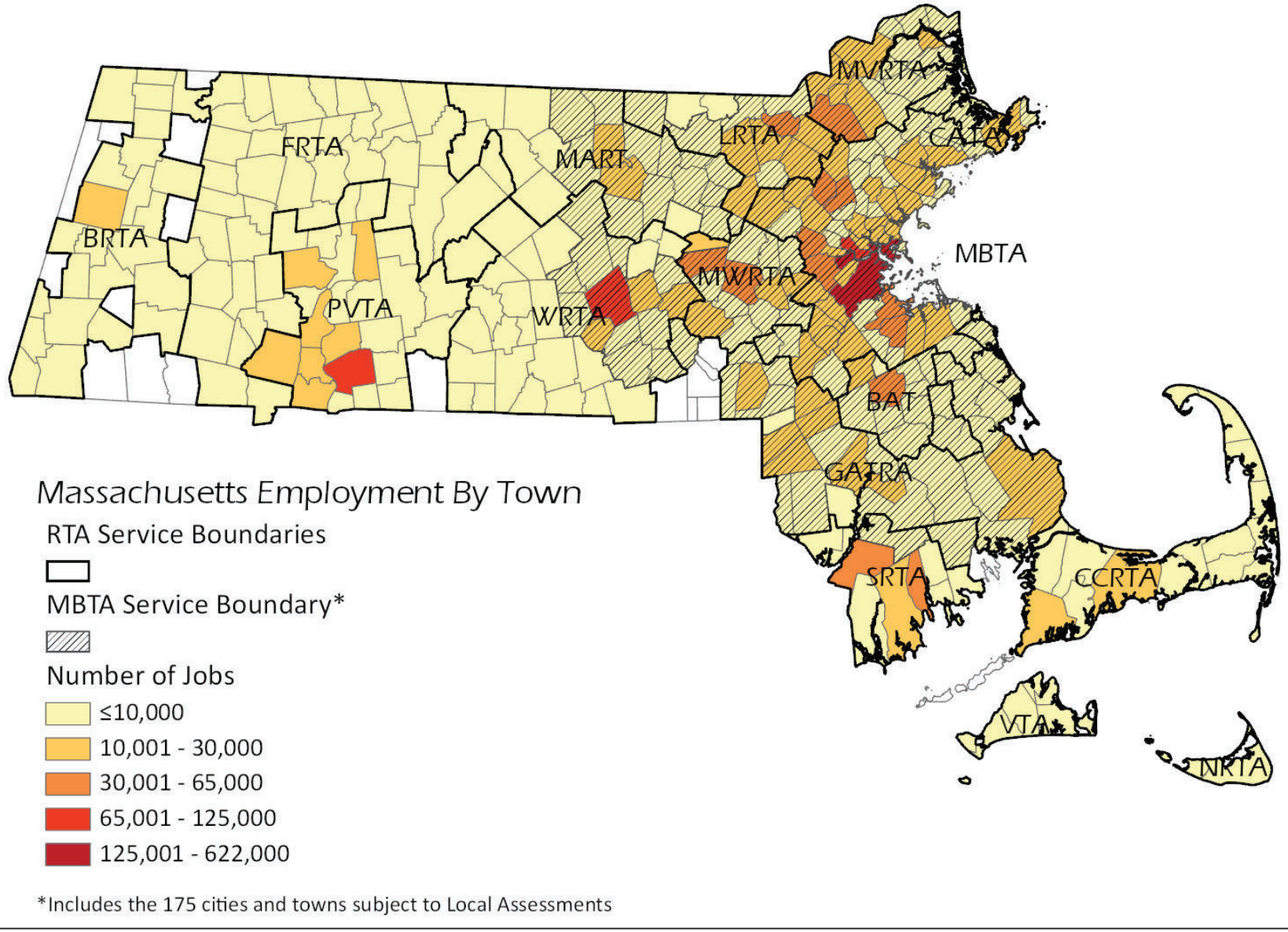
Source: ACS 2017 Estimates



Source: ACS 2017 Estimates



Source: Census OnTheMap 2015



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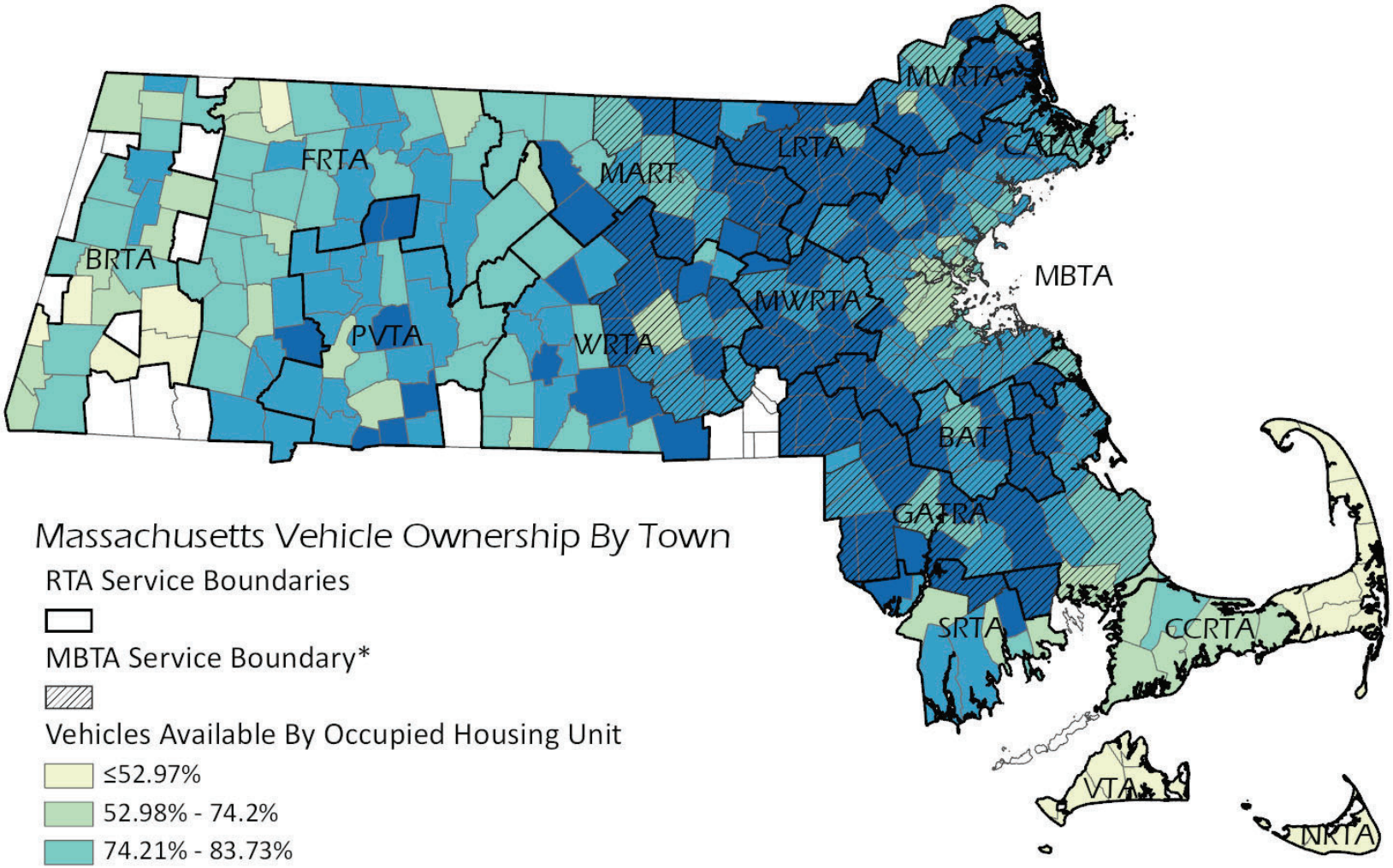

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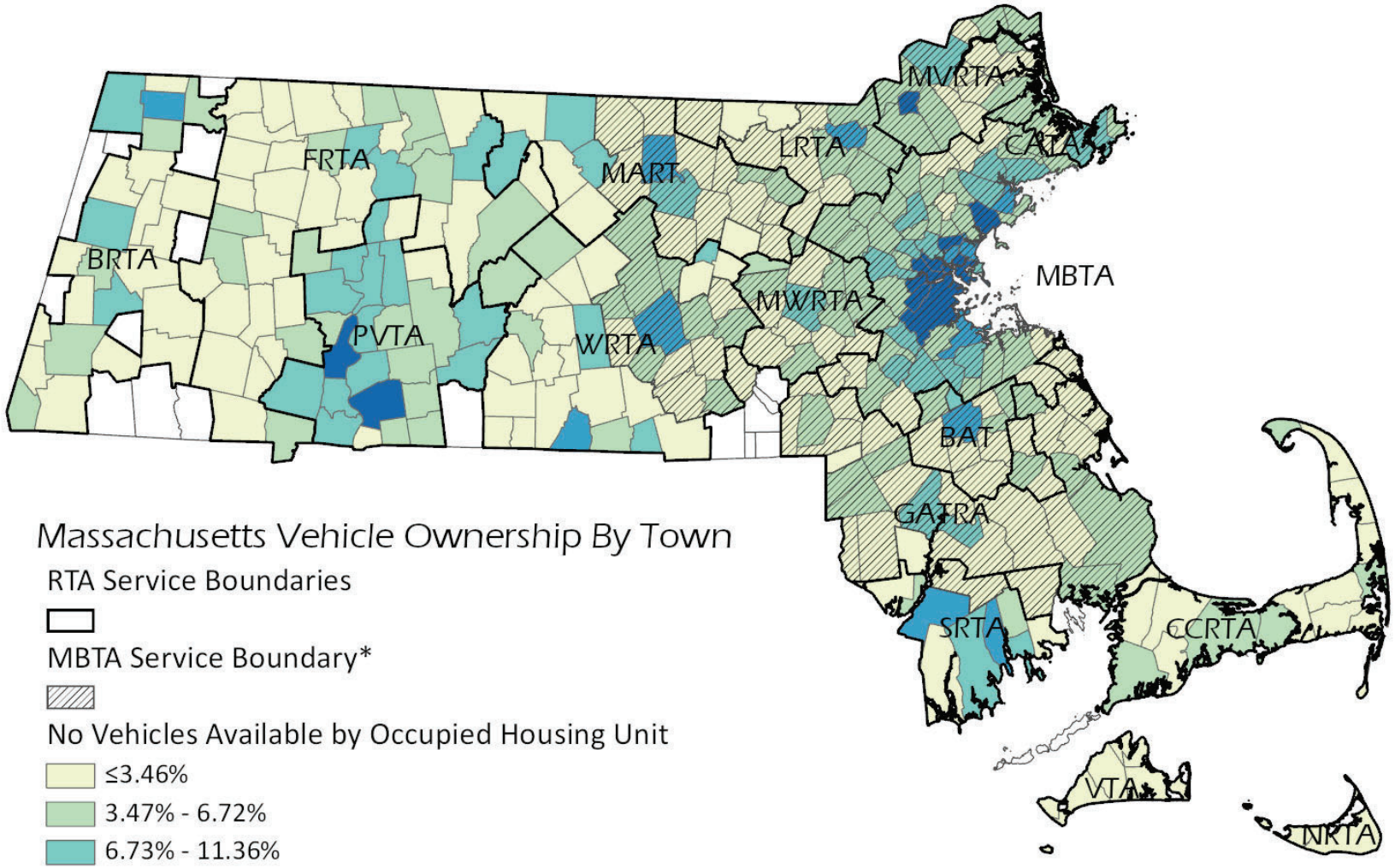
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